



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

May 11, 2000

**S. 1912**

**Electronic Commerce Technology Promotion Act**

*As ordered reported by the Senate Committee on Commerce, Science, and Transportation  
on April 13, 2000*

**SUMMARY**

S. 1912 would establish the Center of Excellence for Electronic Commerce within the National Institute of Standards and Technology (NIST). The bill would require the center to develop guidelines and standards for federal agencies' use of electronic commerce technologies, and to provide technical assistance to small and medium-size businesses on issues related to electronic commerce. The bill also would require the center to lead an interagency working group to promote the use of electronic commerce.

Based on information from NIST, CBO estimates implementing S. 1912 would cost \$123 million over the 2002-2005 period. Because S. 1912 would not affect direct spending or receipts, pay-as-you-go procedures would not apply. S. 1912 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

For the purposes of this estimate, CBO assumes S. 1912 will be enacted near the start of fiscal year 2001, and that outlays will follow historical spending patterns of similar programs. The estimated budgetary impact of S. 1912 is shown in the following table. The costs of this legislation fall within budget function 370 (commerce and housing credit).

	By Fiscal Year, in Millions of Dollars				
	2001	2002	2003	2004	2005
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>					
Estimated Authorization Level	27	24	24	24	24
Estimated Outlays	24	27	24	24	24

**BASIS OF ESTIMATE**

Based on information from NIST, CBO estimates that the new center that would be established by this bill would spend about \$9 million to establish guidelines and standards for the use of electronic commerce technologies by federal agencies in 2001, and about \$6 million to update these standards in each subsequent year.

S. 1912 would require the new center to work with the Small Business Administration (SBA) to provide technical assistance to small and medium-sized businesses on issues related to electronic commerce. Based on information from NIST and the costs of SBA’s technical assistance programs, CBO estimates that implementing this provision would cost about \$15 million annually.

S. 1912 would require the center to lead an interagency working group to promote the use of electronic commerce. Based on information from NIST, CBO estimates this effort would cost about \$3 million a year over the 2001-2005 period.

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

**INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

S. 1912 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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